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TO RUEHC/SECSTATE WASHDC 9968
INFO RUEATRS/DEPT OF TREASURY WASHINGTON DC
RUEHDE/AMCONSUL DUBAI 7397

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SIPDIS

SENSITIVE
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DEPT FOR NEA/ARP, ISN/CPI
TREASURY FOR TFFC

E.O. 12958: N/A

TAGS: [PARM](#) [PREL](#) [MNUC](#) [ECON](#) [KNAP](#) [EFIN](#) [IR](#) [AE](#)

SUBJECT: U/S Treasury McCormick Delivers Message on Iran

Ref: A) State 149648; B) State 148605

11. (SBU) On October 29, Under Secretary of Treasury for International Affairs David McCormick, accompanied by Ambassador, discussed both the Financial Action Task Force's guidance on Iran and the U.S. designations of Iranian entities and individuals with UAE Central Bank Governor Sultan Nasser Al-Suwaidi. U/S McCormick stressed that the USG's designations were aimed at implementing UNSCR 1737 and 1747 obligations and to protect the U.S. financial system from financial activity supporting ongoing Iranian proliferation and terrorism activities. U/S McCormick encouraged the UAEG to take similar actions and to caution its financial institutions about dealings with Iranian banks.

12. (SBU) Al-Suwaidi said he believed the U.S. and UN sanctions were having an impact on Iran and Iranian businesses. He noted that the UAE had seen a decline in financial transfers from Iran in August, adding that transfers to Iran were largely from Iranian businesses operating in the UAE. Al-Suwaidi noted, rhetorically, that there were two possibilities: either the Iranians were retrenching economically, or were diverting their business away from the UAE and GCC countries. He noted that this countered USG concerns that Iran would transfer its business to the UAE as European markets closed to it. Ambassador, Econchief, and Treasury Attach will continue to pursue this issue with UAEG authorities.

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